

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Premier Plastics Inc

Utah Manufacturing Extension Partnership

Premier Plastics Implements Lean With Amazing Results

Client Profile:

Premier Plastics, founded in 1989, is an aggressive, vision-oriented creator of containment or packaging services with fulfillment capabilities, employing less than 20 people at its Salt Lake City, Utah facility. The company is able to accommodate a diverse group of customers. Premier Plastics obtained FDA certification as a medical re-packager in 1997 and keeps this certification current. With the addition of state-of-the-art thermoforming equipment and training, Premier Plastics has grown steadily by up to 30 percent annually to reach \$1 million in sales in the year 2002.

Situation:

Premier Plastics' booming business was rapidly outgrowing its five year-old, 7,000 square foot manufacturing facility. The average order took four people about three days to complete. Work-in-process (WIP) took up too much room and was sustaining damage due to extraneous handling. Premier Plastics also relied on temporary employees to handle large jobs, but these employees were inefficient and required time to become proficient enough to justify their wages. Often, a temporary employee would not stay long enough to produce anything. The company contacted the Utah Manufacturing Extension Partnership (Utah MEP), a NIST MEP network affiliate, for help solving these problems.

Solution:

Utah MEP met with Premier Plastic to discuss possible improvements to the situation. The company decided to send its president and production manager to a Utah MEP-sponsored Lean 101 seminar. They could then apply what they'd learned to eliminate or reduce the severity of problems on the production floor. After attending the course, Premier Plastics asked Utah MEP to help implement a pull-type manufacturing system with line balancing. The system was adjusted to the company's needs through a process of trial-and-error, and finally produced the results for which Premier Plastics had been hoping. Order processing time declined dramatically, and man-hours required to complete an order dropped by 75 percent. The company cleaned up the production area to reclaim floor space, clear out WIP, and save costs on damaged materials. With a dramatic improvement in process time, Premier Plastics now relies solely on its regular workforce for all production work, saving the cost of ineffective temporary employees.

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Results:

Reduced processing time from three days and four people to one day and three people.

Reduced required man-hours per order by 75 percent.

Reduced necessary workspace reduction.

Eliminated the possibility for damage to WIP.

Dismissed ineffective temporary employees.

Saved labor and materials costs.

Testimonial:

"The help the Utah Manufacturing Extension Partnership has and is providing is greatly appreciated, and we plan on using their services in the future."

Jim Holbrook, President